

BEFORE THE
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF:)
)
RIDLEY TELEPHONE COMPANY, LLC)
) No. 02-0407
Application for a certificate)
interexchange authority to)
operate as a reseller of)
telecommunications services)
within the State of Illinois.)

Chicago, Illinois
July 8, 2002

Met pursuant to notice at 10:00 a.m.

BEFORE :

MR. JOHN RILEY, Administrative Law Judge.

APPEARANCES:

MR. PATRICK CROCKER,
900 Coamerica Building,
Kalamazoo, Michigan 49007,
appearing for the Applicant;

SULLIVAN REPORTING COMPANY, by
Teresann B. Giorgi, CSR

1	<u>I N D E X</u>				
2	<u>Witnesses:</u>	<u>Direct</u>	<u>Cross</u>	<u>Re-direct</u>	<u>Re-cross</u> <u>By</u>
3					<u>Examiner</u>
4	James Fiumara	3			12
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7					
8					
9	<u>E X H I B I T S</u>				
10	<u>Number</u>	<u>For Identification</u>			<u>In Evidence</u>
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1 JUDGE RILEY: Pursuant to the direction of the
2 Illinois Commerce Commission, I now call
3 Docket 02-0407. This is an application by Ridley
4 Telephone Company, LLC, for a certificate of
5 interexchange authority to operate as a reseller of
6 telecommunications services within the State of
7 Illinois.

8 At this time Mr. Crocker, are you
9 representing the Applicant in this matter?

10 MR. CROCKER: Yes, I am, your Honor.

11 JUDGE RILEY: Would you enter an appearance for
12 the record, please.

13 MR. CROCKER: Yes, I will.

14 Patrick Crocker, 900 Coamerica
15 Building, Kalamazoo, Michigan 49007, appearing on
16 behalf of the Applicant. And today I have one
17 witness, his name is James Fiumara.

18 JUDGE RILEY: Okay.

19 MR. CROCKER: F-i-u-m-a-r-a.

20 JUDGE RILEY: And are you still with the law
21 firm of Early, Lennon, Crocker & -- is it
22 Bartosiewicz?

1 MR. CROCKER: That's close enough. Yes.

2 (Witness sworn.)

3 JUDGE RILEY: Mr. Crocker, please proceed.

4 MR. CROCKER: Thank you, your Honor.

5 JAMES FIUMARA

6 called as a witness herein, and after having been
7 first duly sworn, was examined and testified as
8 follows:

9 EXAMINATION

10 BY

11 MR. CROCKER:

12 Q Could you please state your name and
13 business address for the record.

14 A My name is James Fiumara, F-i-u-m-a-r-a.
15 And the current business address is 151 South Rose
16 Street, Suite 900, Kalamazoo, Michigan 49007.

17 Q Mr. Fiumara, would it be correct to say
18 that that would be the physical address of our law
19 firm, as well?

20 A Yes, it is. As a start-up organization,
21 that's the current business address.

22 Q Is it also correct to say that you have not

1 found a permanent address nor executed a lease?

2 A That's correct.

3 Q Thank you. I just wanted to clear that up.

4 What is your current occupation?

5 A I'm a CPA licensed in the State of

6 Pennsylvania. The chief operating and financial

7 officer for a marketing company, Free Spark, LLC,

8 which is also located in Pennsylvania.

9 JUDGE RILEY: It was called Free Spark?

10 THE WITNESS: It's actually two words, Judge,

11 F-r-e-e S-p-a-r-k.

12 MR. CROCKER: Q And what is your capacity with

13 the Applicant here?

14 A With Ridley Telephone -- I am the president

15 and owner and founder of Ridley Telephone Company.

16 Q Could you please state the purpose of your

17 testimony today?

18 A The purpose is really to describe the

19 company business and to demonstrate the ability to

20 provide telecommunications services from a

21 managerial, financial and technical perspective.

22 Q Excellent.

1 Could you, please, briefly describe
2 the nature of the telecommunications services that
3 your company intends to offer subscribers in the
4 State of Illinois?

5 A Yes. The company will offer a full range
6 of One Plus telecommunications services on a
7 statewide basis. And that will include traditional
8 switched outbound and inbound services and also
9 calling card services.

10 Q You say "will," has the company provided
11 telecommunications services in Illinois?

12 A No, they've never provided.

13 Q Or has the company billed in Illinois under
14 any other name?

15 A No, they haven't.

16 Q Okay. In what state is the company
17 incorporated?

18 A The company is incorporated in the State of
19 Delaware and we did submit the certificate of
20 formation with the application.

21 Q Is the company qualified to transact
22 business within the State of Illinois?

1 A Yes, I believe so.

2 MR. CROCKER: Your Honor, I would like to have

3 that fax marked as Applicant's Exhibit 1, and I

4 would like to move to have that made a part of the

5 record.

6 JUDGE RILEY: Okay.

7 MR. CROCKER: It's supposed to be attached to

8 the application, but. . .

9 JUDGE RILEY: I understand.

10 What it is, it's a letter from the

11 Illinois Secretary of State approving the request to

12 transact business in the State of Illinois. And

13 that it includes the application for admission, two

14 pages in total, covering 15 questions or 15

15 categories.

16 And yes, that will be marked as

17 Applicant's Exhibit 1 and it is admitted into

18 evidence.

19 (Whereupon, Applicant's

20 Exhibit No. 1 was received

21 in evidence.)

22 MR. CROCKER: Thank you, your Honor.

1 Q Mr. Fiumara, could you please describe your
2 background in business for the record?

3 A Yes. I graduated from Temple University in
4 Philadelphia, Pennsylvania in 1971, with a bachelors
5 degree in accounting. As I stated earlier, I'm a
6 certified public accountant licensed in the State of
7 Pennsylvania. For 15 years after graduating I spent
8 with Sears Roebuck & Company in various financial
9 and operating executive positions. And I've spent
10 six years as the chief financial officer of a
11 regional sporting good chain in the Philadelphia
12 marketplace that consisted of 20 retail stores.

13 And then following that, I spent five
14 years with a company known as National Media
15 Corporation, that was a publicly trading marketing
16 company. We sold products via direct mail and TV,
17 via short form and long form advertising. For the
18 majority of that five years with National Media
19 Corporation, I was a general manager, I managed the
20 US division and I had full responsibility of a \$200
21 million sales operation with about 250 employees
22 located in three facilities throughout the United

1 States. We, actually bought our own media. I
2 provided operating, fulfillment and customer service
3 support to those customers.

4 For the past three years, I've been
5 with First Novel PD (phonetic) and then its
6 successor Free Spark LLC as a chief operating and
7 financial officer. And, basically, Free Spark is a
8 marketing company that provides marketing and sales
9 support services to other companies that market
10 product and services via the Internet.

11 Q Excellent.

12 I understand the Applicant is a
13 start-up. Could you please describe some of the
14 management team and the responsibilities of each?

15 A Currently I am the sole employee of Ridley
16 Telephone. As we evolve there is intention to add
17 some support services. But really, the underlying
18 belief is that we'll rely on out sourcing both with
19 the network provider, also with billing services
20 support and with contracted customer service
21 support.

22 Q Excellent.

1 Will the company offer operator
2 services within Illinois?

3 A No, they won't.

4 Q If you do offer operator services at a
5 later date, will the company comply with the
6 Commission's rules concerning the provision of
7 operator services?

8 A Yes, we will.

9 Q What rates will the company charge for
10 services provided to customers within Illinois?

11 A Well, we'll comply with the laws in
12 Illinois. We'll provide services in accordance with
13 the tariffs, which we'll submit for approval in the
14 state.

15 Q Has the company's financial circumstances
16 adversely changed subsequent to the filing of this
17 application?

18 A No. They've remained relatively the same.

19 Q What verification method will the company
20 utilize with verified orders to change long distance
21 service?

22 A You know, it's our intention we'll comply

1 with the FCC procedures. We'll be marketing via the
2 Internet, so, in that regard we'll be having
3 electronic letter of agencies, LLAs.

4 Q Will the company abide by federal and state
5 slamming and cramming laws?

6 A Yes, definitely.

7 Q I realize you're a start-up, could you
8 briefly describe the company's procedures for
9 handling consumer complaints?

10 A We have a toll free number that will be
11 provided to the consumer for call in for full
12 refunds or to handle all complaints. Basically, we
13 believe we'll have some normal business hours,
14 probably 9:00 to 9:00, where those phones will be
15 fully staffed.

16 Q Will the toll free number appear on the
17 customer's bill?

18 A Yes, it will.

19 Q Will your name appear on the customer's
20 bill?

21 A Yes, it will.

22 Q And will you bill the customers monthly for

1 services?

2 A Yes, it will be a monthly billing.

3 MR. CROCKER: Your Honor, I don't have any
4 further questions at this time.

5 JUDGE RILEY: All right. Thank you very much,
6 Mr. Crocker. I just have a few of my own.

7 MR. CROCKER: Okay.

8 EXAMINATION

9 BY

10 JUDGE RILEY:

11 Q Mr. Fiumara, is the company requesting only
12 resold interexchange services at this time?

13 A Yes, we are at this point.

14 Q It's strictly long distance at this point,
15 resold long distance services. Does the company
16 plan to build any facilities in Illinois?

17 A No, we have no plans to build any
18 facilities.

19 Q And is the name that is to appear on the
20 certificate Ridley -- I'm sorry.

21 Is the name that appears on the
22 application, which is Ridley Telephone Company, LLC,

1 the same name that will appear on the certificate?

2 A Yes, sir.

3 Q Is it correct to say there are no doing
4 business as names?

5 A No, d/b/as.

6 Q And with regard to the financial data that
7 was submitted, is the \$50,000 that you indicated in
8 the attachment, Attachment D to the application, is
9 that actual cash?

10 A Yes, it is. It's actually cash put into
11 the company.

12 Q And as you sit here today, is the financial
13 status of the company essentially the same?

14 A It is.

15 JUDGE RILEY: At this time, Mr. Crocker, I'm
16 going to mark the financial data that's been
17 submitted by the company as Applicant's Exhibit 2.

18 MR. CROCKER: Thank you, your Honor.

19 JUDGE RILEY: And I'll admit that into evidence.

20 MR. CROCKER: Thank you, your Honor.

21

22

1 (Whereupon, Applicant's
2 Exhibit No. 2 was received
3 in evidence.)

4 JUDGE RILEY: Q Mr. Fiumara, do you have any
5 specific background in the telecommunications
6 industry.

7 A Not directly in the telecommunications
8 industry; however, with my marketing experience in
9 the past and, particularly, with Free Spark, we have
10 provided marketing sales support services to other
11 companies who market telecommunications products via
12 the Internet at that point in time.

13 Q Who will do the technical support for your
14 company?

15 A Technical support is provided in a few
16 different ways through our underlying service
17 provider, but then will our in-house client service
18 department to provide customer support technical
19 services.

20 Q And is it my understanding that the
21 customer service number you're using now is
22 essentially the number of your attorney?

1 A No, that's a newly registered 800 number.

2 Q What number is that? Do you have that

3 handy?

4 A The toll free number is 888-328-5370.

5 Q And will the Applicant adhere to all state

6 and federal regulations with regard to slamming and

7 cramming?

8 A Definitely.

9 JUDGE RILEY: Mr. Crocker, did you have anything

10 further?

11 MR. CROCKER: No, your Honor.

12 JUDGE RILEY: That is all the questions that I

13 have then.

14 If there is nothing further, then, I

15 am going to direct the Court Reporter to mark this

16 matter heard and taken. And I will prepare an order

17 for the Commission at the earliest possible time.

18 MR. CROCKER: Thank you, your Honor, we really

19 appreciate it.

20 JUDGE RILEY: Thank you very much, gentlemen.

21 HEARD AND TAKEN

22